

1 David S. Kupetz (CA Bar No. 125062)

dkupetz@sulmeyerlaw.com

2 Asa S. Hami (CA Bar No. 210728)

ahami@sulmeyerlaw.com

3 Claire K. Wu (CA Bar No. 295966)

ckwu@sulmeyerlaw.com

4 **SulmeyerKupetz**

A Professional Corporation

5 333 South Grand Ave., Suite 3400

Los Angeles, California 90071-1406

6 Telephone: 213.626.2311

Facsimile: 213.629.4520

7

Attorneys for Debtor and Debtor in Possession

8

One Way Loans, LLC, d/b/a PowerLend

9

UNITED STATES BANKRUPTCY COURT

10

CENTRAL DISTRICT OF CALIFORNIA, LOS ANGELES DIVISION

11

In re

Case No. 2:18-bk-24572-SK

12

ONE WAY LOANS, LLC, a California limited
liability company, d/b/a POWERLEND,

Chapter 11

13

Debtor.

**NOTICE OF DEBTOR'S MOTION FOR
ORDER AUTHORIZING REJECTION OF
LOAN SERVICING AGREEMENT WITH
FIRST ASSOCIATES LOAN SERVICING,
LLC**

14

15

16

[No hearing required unless requested]

17

18

19

20

21

22

23

24

25

26

27

28

SulmeyerKupetz, A Professional Corporation
333 SOUTH GRAND AVENUE, SUITE 3400
LOS ANGELES, CALIFORNIA 90071-1406
TEL. 213.626.2311 • FAX 213.629.4520

**TO FIRST ASSOCIATES LOAN SERVICING, LLC, THE OFFICE OF THE
UNITED STATES TRUSTEE, AND OTHER PARTIES IN INTEREST:**

PLEASE TAKE NOTICE THAT One Way Loans, LLC, d/b/a PowerLend, the debtor and debtor in possession in the above-captioned bankruptcy case (the “Debtor”), has filed a motion, pursuant to 11 U.S.C. § 365(a), for an order authorizing the Debtor’s rejection of its “Loan Servicing Agreement,” dated as of January 15, 2018 (the “Servicing Agreement”), with First Associates Loan Servicing, LLC (“First Associates”), effective as of entry of the order granting such motion (the “Motion”).

The Motion is made pursuant to 11 U.S.C. § 365(a) on the grounds that the Servicing Agreement is an executory contract that has become burdensome to the Debtor and the bankruptcy estate (the “Estate”). As discussed in more detail in the Motion and accompanying memorandum of points and authorities, the monthly minimum fees charged by First Associates under the Servicing Agreement to service the Debtor’s performing loans is excessive in relation to the amount collected on such loans. Moreover, given the relatively small size of the Debtor’s existing loan portfolio, the Debtor is capable of servicing the loans internally and no longer requires the services of First Associates. As a result, in the exercise of its business judgment, the Debtor believes rejection of the Servicing Agreement and having the loans “de-boarded” from First Associates is in the best interests of the Debtor, the Estate, and creditors.

PLEASE TAKE FURTHER NOTICE that the Motion has been filed with the Clerk of the United States Bankruptcy Court and may be viewed at the Clerk’s office at 255 E. Temple Street, Los Angeles, CA 90012, and/or through the Court’s Case Management/Electronic Case Files system. A copy of the Motion also may be obtained by contacting counsel at the address and telephone number indicated in the upper left corner of the first page of this Notice.

PLEASE TAKE FURTHER NOTICE that any opposition or other response to the Motion, and request for hearing thereon, must comply with Local Bankruptcy Rule 9013-1(f)(1), and must be in writing and filed with the Clerk of the United States Bankruptcy Court and served upon the Debtor and its counsel at the address indicated in the upper left corner of the first page of this Notice, and upon the United States Trustee, not later than 14 days from the date of this Notice,

1 plus an additional three days if you were served with this Notice by mail, electronically, or
2 pursuant to Rule 5(b)(2)(D), (E), or (F) of the Federal Rules of Civil Procedure. If any such
3 response is timely filed, the Debtor will set a hearing on the Motion and send notice thereof in
4 accordance with the Local Bankruptcy Rules. No hearing will be set by the Debtor if no response
5 and request for hearing is filed timely.

6 **PLEASE TAKE FURTHER NOTICE** that pursuant to Local Bankruptcy Rule 9013-1(h),
7 the failure to file a response to the Motion may be deemed by the Court as consent to the relief
8 requested therein.

9 Dated: June 28, 2019

SulmeyerKupetz
A Professional Corporation

10
11
12 By: /s/ Asa S. Hami
13 Asa S. Hami
14 Attorneys for Debtor and Debtor in Possession
15 One Way Loans, LLC, d/b/a/ PowerLend
16
17
18
19
20
21
22
23
24
25
26
27
28

SulmeyerKupetz, A Professional Corporation
333 SOUTH GRAND AVENUE, SUITE 3400
LOS ANGELES, CALIFORNIA 90071-1406
TEL. 213.626.2311 • FAX 213.629.4520

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 333 South Grand Avenue, Suite 3400, Los Angeles, CA 90071.

A true and correct copy of the foregoing document entitled (*specify*): **NOTICE OF DEBTOR'S MOTION FOR ORDER AUTHORIZING REJECTION OF LOAN SERVICING AGREEMENT WITH FIRST ASSOCIATES LOAN SERVICING, LLC** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) June 28, 2019, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Dawn M Coulson on behalf of Interested Party Courtesy NEF - dcoulson@eppscoulson.com, cmadero@eppscoulson.com
- Carl Grumer on behalf of Interested Parties JGB (Cayman) Glenmachrie Ltd. and JGB Collateral, LLC - cgrumer@manatt.com, mchung@manatt.com; fstephenson@manatt.com
- Andrew Haley on behalf of Interested Party CF Culver City Office, L.P. - ahaley@shoreline-law.com, kbarone@shoreline-law.com
- Asa S Hami on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend -
- ahami@sulmeyerlaw.com, agonzalez@sulmeyerlaw.com; agonzalez@ecf.inforruptcy.com; ahami@ecf.inforruptcy.com
- David S Kupetz on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend - dkupetz@sulmeyerlaw.com, dperez@sulmeyerlaw.com; dperez@ecf.courtdrive.com; dkupetz@ecf.courtdrive.com
- Dare Law on behalf of U.S. Trustee (LA) - dare.law@usdoj.gov, ron.maroko@usdoj.gov; Alvin.mar@usdoj.gov
- Ron Maroko on behalf of U.S. Trustee (LA) - ron.maroko@usdoj.gov
- Sabrina L Streusand on behalf of Creditor Actum Processing - Streusand@slollp.com
- United States Trustee (LA) - ustpregion16.la.ecf@usdoj.gov
- Claire K Wu on behalf of Debtor One Way Loans, LLC, d/b/a PowerLend -
- ckwu@sulmeyerlaw.com, mviramontes@sulmeyerlaw.com; ckwu@ecf.courtdrive.com; ckwu@ecf.inforruptcy.com

☐ Service information continued on attached page.

2. SERVED BY UNITED STATES MAIL:

On (*date*) June 28, 2019, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

First Associates Loan Servicing, LLC
10182 Telesis Court, Suite 300
San Diego, CA 92121

First Associates Loan Servicing, LLC
Attention: Larry Chiavaro, EVP
15373 Innovation Drive, Suite 300
San Diego, CA 92128

☒ Service information continued on attached page.

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) June 28, 2019, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

The Honorable Sandra R. Klein – **VIA PERSONAL DELIVERY**
U.S. Bankruptcy Court
Roybal Federal Building
255 E. Temple Street
Los Angeles, CA 90012 - Bin outside of Suite 1582

☐ Service information continued on attached page.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 28, 2019

Andrea Gonzalez

/s/ Andrea Gonzalez

Date

Printed Name

Signature

SERVICE LIST

20 LARGEST UNSECURED CREDITORS

Jorge Aroche
930 Kings Parkway
Baldwin, NY 11510-2105

Lead Economy LLC
Attn: Lana
8 The Green, Suite 8162
Dover, DE 19901

Lead Economy LLC
Attn: Brian Bastio
8 The Green, Suite 8162
Dover, DE 19901-3618

Zero Parallel LLC
Attn: Michael Cordova and Melanie Babayan
505 North Brand Blvd., 16th Fl.
Glendale, CA 91203

VISA
Cardmember Service
Post Office Box 790408
Saint Louis, MO 63179-0408

Sebastian LLC
Attn: Emily Acevedo
33 Sade Street
Clifton, NJ 07013

defi Solutions
Attn: Stephanie Alsbrooks
1500 Solana Blvd., Bldg. 6
Fourth Fl.
Westlake, TX 76262

Defi Solutions
Attn Accounting Dept.
1500 Solana Blvd., Suite 6400
Westlake, TX 76262-1703

Effortless Office
4484 South Pecos Road
Las Vegas, NV 89121

Branch Management Group
Prime/Baytech
Attn: Jeff Skvorc
1835 Newport Blvd., Suite A109-313
Costa Mesa, CA 92627

Hartford Insurance
Attn: Tom Costello
8711 University East Drive
Charlotte, NC 28213

Hartford Fire Insurance Company
Bankruptcy Unit, HO2-R, Home Office
(One Hartford Plaza)
Hartford, CT 06155

American Express
Post Office Box 0001
Los Angeles, CA 90096-0001

American Express
Attn: Express Mail Remittance Processing
20500 Belshaw Ave.
Carson, CA 90746

American Express
c/o Becket and Lee LLP
PO Box 3001
Malvern, PA 19355-0701

American Express
c/o Becket and Lee LLP
16 General Warren Blvd.
Malvern, PA 19355

ACC Business/AT&T
Post Office Box 105306
Atlanta, GA 30348-5306

ACC Business/AT&T
Attn: Cori Storm
Finance, Credit & Collections
400 West Avenue
Rochester, NY 14611

Keesal Young Logan
Attn: Sandor Mayuga
400 Oceangate, Suite 1400
Long Beach, CA 90802

Adv. Direct IT Media **RTS 4-12-19**
Attn: Harvey Sherifield/Michael Hendifar
72 North 300 East, Suite A
Sapulpa, OK 74066

Adv. Direct IT Media
Attn: Harvey Sherifield/Michael Hendifar
2800 Olympic Blvd. Ste. 100
Santa Monica, CA 90404-4101

Anthem Blue Cross
Post Office Box 51011
Los Angeles, CA 90051-5310

Kaiser Permanente
Post Office Box 23250
San Diego, CA 92193-3250

Broadvoice
9221 Corbin Avenue, Suite 155
Northridge, CA 91324

Broadvoice
9221 Corbin Avenue, Suite 155
Northridge, CA 91324

Parking Networks
Attn: Joseph Santana
350 South Figueroa Street, Suite 420
Los Angeles, CA 90071

Infinity Enterprise Lending
Velocity Ventures Group LLC
Attn: Ryen Leyva
4864 Sparks Boulevard
Sparks, NV 89436

Hudson Cook LLP
7037 Ridge Road, Suite 300
Hanover, MD 21076

Online Lenders Alliance
Attn: Mary Jackson
2001 Jefferson Davis Highway, Suite 405
Arlington, VA 22202